

EXHIBIT C

From: Nelson Fong
Sent: Tuesday, July 28, 2009 6:50 PM
To: Bobbie Wiley
Cc: James Wong; Anna Zhou(GP); Jeffrey Lee; Kenneth Chan; Richard Chen - GP; Rachael Lane
Subject: GE Food Processor from Demeter

Bobbie,

Would like to give a head's up on an issue regarding quality failure of the captioned item.

The interlock of the product does not function well and could bring to serious critical issue in respect of product safety.

About 11k units of this product are now on water to States and ETA of the 1st batch of shipments will be around 8/20.

The shipped units passed ITS production test, in-line and final inspection. The product itself also went thru GE requested testing e.g. life testing, damage testing, field testing, etc,...with no issue reported.

There was one unit failed the Interlock function in one of previous final inspections. However, the supplier/factory arranged re-work and re-inspection without getting GP's review and approval on their corrective action plan. Since the re-inspection got Passed result, the shipment was released.

MQE is investigating the root cause of the failure with the supplier/factory before the next course of action can be determined. Expect to get the result tomorrow. I am taking the lead in communicating this issue and will keep you informed of how this develops, including those shipped and impact on the unshipped orders.

Could you please also help inform this to the buyer.

Thanks.

Nelson Fong
Wal-Mart Global Procurement
Shenzhen
Merchandising
D05,06,07,15,40,49,87

From: Tony Judge
To: William Hamlett
CC: Bill McRaith; Ashish Bharara; Jorge B Garcia; Eric Chiu; Victor Tang - vtang; Richard Chen - GP; Wings Leung; Chris Ho - c0ho; Anna Zhou(GP); Nelson Fong
ent: 8/3/2009 1:01:16 AM
Subject: Demeter: Food Processor Sort Process

Hi William,

As we discussed on our conference call on Friday night the sticking of the safety interlock mechanism is not as straightforward as Demeter and the factory would like us to believe.

Whilst the root cause has not definitely been identified, their original suggestion that it was due to glue contamination appears less likely than a 'friction' problem due to the roughness inside the actuator spindle housing.

What was of great concern was the seemingly 'doctored' video presented to us showing that glue applied to the spindle can cause it to stick. There were a number of things we all saw in the video suggesting that something had preciously been put inside the spindle housing to help lodge the spindle. The concerns about authenticity was shared by all WMGP associates in the meeting. Demeter are to go back to the factory to find out what had happened then advise on Monday.

Note, Demeter transferred a number of videos to my memory stick all of which can be viewed except the one in question as the file is corrupted - will request another copy.

We are pushing Demeter as hard as we can to come up with the definite root cause and practical solutions to speed up any rework necessary.

Regards,

Tony

From: William Hamlett
Sent: Thursday, July 30, 2009 1:57 AM
To: Tony Judge
Cc: Bill McRaith; Ashish Bharara; Jorge B Garcia
Subject: FW: Food Processor Sort Process

Tony, I need you help. If the supplier does not ship within the next week, we will miss our window for the tab. Sense the 9000 units on the latest PO were checked and all noncompliant product has been taken out, is there a reason to hold up the shipment? There were reaudits and all units checked have passed.

We will be conducting the same tests on the initial order of 11000 units that was not rejected and shipped at our DC in the US. Please advise if we may ship while the root cause is being reviewed.

Thanks,

William Hamlett
Technical Director, Home Division
Product and Trend Development
Wal-Mart Stores, Inc.
Phone 479-277-9488 FAX 479-277-9741
William.Hamlett@Wal-Mart.com
203 SE Martin Luther King, Jr. Parkway
Bentonville, AR 72716-0510

From: Jorge B Garcia
Sent: Wednesday, July 29, 2009 12:39 PM
To: agnes_law; benjamin_hsu@demeterent.com; Chris Ho - c0ho; Michael O'Connor - mtoconn; Rachael Lane; Erick Moreira

Team,

Below is a short recap of the items discussed during this morning's meeting.

1. GE Food Processor is part of the new GE Brand Re-Launch. It will be featured in a tab and be displayed on an end cap. It will be one of the items that will be featured during the TV campaign supporting the Brand Re-Launch. We need to make every effort to have product available without compromising on safety or quality.
2. GP Quality has placed all Food processors on hold that includes the 9000 which were reworked by Demeter. Hold will remain until root cause has been agreed to.
3. Demeter has submitted root cause analysis. GP Quality has requested samples to illustrate failure modes. Demeter is working to collect all information and samples requested by GP Quality.
3. 11,000 units have been shipped which potentially have the same defects as these found during the inspection of the 9,000 units.
4. Shipments are scheduled to be received around mid August. If a sort process is approved, we should consolidate flow orders into IDC's where rework can be done. (Demeter has agreed to pay for the warehouse cost. Approximately \$15K)
5. Demeter is working on a SOP to do the sorting in the US. Sorting SOP will be reviewed during a conference call Friday morning. This SOP will help us understand what the space and personnel requirements will be for the rework. We will also be able to determine what the expected sorting rate will be.
6. Based on Demeter agreeing to pay for the additional warehouse cost, Cindy has agreed to consolidation plan.
7. During Monday's call on the food processor issue, we asked Demeter to re-audit units which had been sorted. Demeter has re-audited 200 units with no failures found. We have asked Demeter to audit a total of 1000 units. We will review the results during the call.
8. Agnes Law and Michael O Connor will work together to identify external service which can support the sort process and develop a plan to perform the sort. (This is based on GP Quality agreeing to the sorting process effectiveness.)

This is a key product that is part of our Brand Re-launch strategy. We must make sure the product is Safe and of Good Quality. We must all work together with a joint sense of urgency to deliver the product in time for the Modular set.

Appreciate everyone's support and hard efforts,

Jorge

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WMHOe-003717-001-00001837

From: Jorge B Garcia
To: Michael O'Connor - mtoconn; Bobbie Wiley; Anna Zhou(GP)
CC: Erick Moreira; Cindy Hay; William Hamlett; agnes_law
BCC: Michael O'Connor - mtoconn; Bobbie Wiley; Erick Moreira; Cindy Hay; Anna Zhou(GP); William Hamlett; agnes_law
Sent: 8/5/2009 2:24:08 PM
Subject: RE: Regarding re-work for GE food processor in US

Michael,

I appreciate you taking the leadership in this project.
I have asked the supplier to put a schedule and SOP together.
Agnes will send that to you. I also asked her to work with you to line up the third party service.
Can you keep Erick, William, Bobbie and I in the loop and status of the project.
Thanks
Jorge

From: Michael O'Connor - mtoconn
Sent: Wednesday, August 05, 2009 8:37 AM
To: Bobbie Wiley; Anna Zhou(GP); Jorge B Garcia
Subject: RE: Regarding re-work for GE food processor in US

Hello,

I'll get with Jorge and supplier to detail the procedure/options. Anna please copy me on the technical/rework communication.

Will update you as soon as possible

Thanks

Michael O'Connor
Mgr Product Standards & Safety
Phone 479.277.8134
michael.o'connor@wal-mart.com

Walmart Stores, Inc.
Global Procurement
508 SW 8th Street
Bentonville, AR 72716-0830
Save money. Live better

From: Bobbie Wiley
Sent: Wednesday, August 05, 2009 8:29 AM
To: Michael O'Connor - mtoconn
Subject: FW: Regarding re-work for GE food processor in US

Michael,
Can you answer the questions below?

Thanks,
Bobbie Wiley
Manager, RIDO

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WMHOe-002208-008-0000394

From: Anna Zhou(GP)
Sent: Wednesday, August 05, 2009 7:40 AM
To: Bobbie Wiley; Rachael Lane; Alayna Ewbank
Cc: Diana Marshall; James Wong; Victor Tang - vtang; Sean Hsieh - shsieh; Wings Leung; Jorge B Garcia
Subject: Regarding re-work for GE food processor in US

Dear Bobbie

After several days of communication, supplier finally comes out their root cause and agreed by WM.

Now supplier is planning to do the re-work at USA side for those shipped cargos(11689 units), but we need more information such as:

1. Re-work location.
2. Address to where they can send the component first?
3. Who do they need to contact when supplier arrive USA?
4. Any more information supplier may need to know?

Could you please advice how should we kick off this re-work process?

Looking forward to hear from you. Thanks!

Anna Zhou
D15 Small Appliances
Wal*Mart Global Procurement
Tel: (86) 755- 82218310
Fax: (86) 755- 82317136
email: a6zhou@wal-mart.com

From: Victor Tang - vtang
Sent: Wednesday, August 05, 2009 8:09 PM
To: Anna Zhou(GP)
Subject: FW: Root cause analysis

FYI

From: agnes_law [mailto:agnes_law@demeterent.com]
Sent: Wednesday, August 05, 2009 6:04 PM
To: Victor Tang - vtang; Chris Ho - c0ho; benjamin_hsu@demeterent.com; '葉 michael'
Cc: Richard Chen - GP; Jeffrey Lee; Kenneth Chan; James Wong; Wings Leung; Tony Judge; Nelson Fong; Eric Chiu
Subject: RE: Root cause analysis

Dear Victor

Thanks for the information.

Rework plan:

- Case 2:14-cv-02029 Document 7-13 Filed 09/08/13 Page 7 of 11 PageID #: 815
1. We are now preparing 15,000 sets of shaft assembly to be sent to US and Canada for rework. We will be able to send out around 12th Aug.
 2. Rework in the factory can be started around 12th Aug. Please advise if someone from GP can come to factory to see the rework process.
 3. For the detailed rework plan in the U.S. and Canada, we cannot provide to you now. Since we do not know the rework location.
- Enclosed please find our SOP, please confirm in return.

Best regards,
Agnes

From: Victor Tang - vtang [mailto:Victor.Tang@wal-mart.com]

Sent: 2009年8月5日 11:36

To: agnes_law; Chris Ho - c0ho; benjamin_hsu@demeterent.com; 葉 michael

Cc: Richard Chen - GP; Jeffrey Lee; Kenneth Chan; James Wong; Wings Leung; Tony Judge; Nelson Fong; Eric Chiu

Subject: RE: Root cause analysis

Hi Agnes,

Thanks for your Root Cause Analysis.

We did have a tel con with US last night, it appears that **replacement of the spindle assembly** is the best option for the shipped qty and finished stock in factory based on your analysis unless we hear that you find other factor which result in our said failure.

New Spindle assembly for replacement

- the assembly production process shall strictly follow the work instructions/procedure
- spindle shall be in black oxidation
- it shall be tight control on the quality of spindle and shaft (dimensions, boring of shaft hole, burr elimination...ect.)
- ensure the security of plastic cap when ultrasonic welding

We would like the stock in factory to be reworked prior to the rework in US and CA, if the result is satisfied, the rework will then spread to all shipped products.

Please advise :

- Your rework plan
- SOP of rework
- shipment schedule

Our MQE will visit factory for the rework upon receipt your rework plan and SOP.

Please confirm and return to us by Aug 06.

Regards,
Victor

From: agnes_law [mailto:agnes_law@demeterent.com]

Sent: Tuesday, August 04, 2009 3:40 PM

To: Chris Ho - c0ho; Victor Tang - vtang

Cc: Richard Chen - GP; benjamin_hsu@demeterent.com; '葉 michael'

Subject: Root cause analysis

Dear all,

Enclosed please find the root cause analysis.

Root Cause Findings (current status):

Attached <Root cause analysis>

Current status:

- Major factor: Glue that is applied on the pin accidentally
- Side factor: Friction between the spindle and the pin

3. Other possible cause: Dimension of the spindle and the pin is off the tolerance limit
4. Other possible cause: Dirt left in the inner slot of the spindle

After repeated testing in the past week, we believe that glue is the main factor that caused the interlock malfunction. The friction factor may also cause the interlock malfunction. However, after testing, without the glue, the interlock will bounce back even with friction factor in place.
In fact, for all the defective samples, we have found there was glue residue on the pin.

For the dirt and dimension factory, since we have tight control over our production process. These two factors are very unlikely to happen. These are the possibilities only.

Root Cause Findings (further steps):

At this moment, these factors are the only factory that we can find. We will keep on stimulating different scenarios, should there be any updates, we will get back to you.

Reworked Plan (according to current findings):

Shipped items: we will sub assembled the shaft assembly in the factory and ship it to the U.S. and Canada. Then we will start the rework procedure at different destinations. SOP of the rework will be sent to you to confirm prior to rework. Please bear in mind that the new shaft assembly is with two improvements:

- a. After applying the glue on the brass bush, it will be left to dry for 24 hours before continuing the assembling process.
- b. The spindle will be with heat treatment.

Finished items in factory: we will replace the shaft assembly for all units. The shaft assembly will be with the change that is listed in above pt. a & b.

Best regards,
Agnes

From: Victor Tang - vtang
To: Audrey Gappy
CC: Una Wong; Tony Judge; Angel Tang; Tina Ting (GP); Cindy Keung; Jian Chen - jchen44; Jorge B Garcia; Steve Trussell; Leo Cheung - l0cheun; Chris Ho - c0ho; Jimmy Chu - j9chu; Joseph Wong; Kenneth Chan
Sent: 9/15/2010 10:27:50 AM
Subject: RE: Test report GE Complaint - Food Processor - 2
Attachments: FW: Test report GE Complaint -2

following email -1

From: Victor Tang - vtang
Sent: Wednesday, September 15, 2010 6:26 PM
To: Audrey Gappy
Cc: Una Wong; Tony Judge; Angel Tang; Tina Ting (GP); Cindy Keung; Jian Chen - jchen44; Jorge B Garcia; Steve Trussell; Leo Cheung - l0cheun; Chris Ho - c0ho; Jimmy Chu - j9chu; Joseph Wong; Kenneth Chan
Subject: RE: Test report GE Complaint - Food Processor - 1

Hi Audrey,

This is Victor from MQE department.
Sorry to hear that there was a case of injury.

The product was equipped with safety feature and tested to the relevant cUL standard.

Attached from supplier which may help you to understanding more about this product (will send under 2 separate e-mails due to the file size).

At this moment, it is difficult for supplier to know the real root cause, please let us know if we have the chance to see the defective sample for the root cause ?

Any further information required for this case, please let us know.

Regards,
Victor

From: Quincy Wen Intertek [mailto:quincy.wen@intertek.com]
Sent: Friday, September 10, 2010 12:01 PM
To: Audrey Gappy
Cc: Chris Cyrenne; Cindy Wu Intertek; Arjun Parmar Intertek
Subject: RE: Test report GE Complaint

Hi Audrey,

After double check the tested sample, this product was safety listed by UL, and it actually has a safety feature to prevent the motor from starting up until the lid is locked on. Please see attached photos for reference.

Thanks and best regards,
Quincy
Tel#: 020-82139485

From: Audrey Gappy [mailto:Audrey.Gappy@wal-mart.com]
Sent: Thursday, September 09, 2010 10:05 PM
To: Cindy Wu Intertek; Quincy Wen Intertek; Arjun Parmar Intertek

From: Jorge B Garcia
To: Demeter Enterprise Co. Ltd - Jay Zhang; Agnes Law; Benjamin Hsu
CC: Steve Trussell
Sent: 10/15/2010 1:37:17 PM
Subject: FW: GE food processor inspection fail update
Attachments: CAP-GE_Demeter_Food processor_rework-20101014.xls

Need you to get involved in this rework. Improper operator training is a weak excuse. If operator influence can cause the unit no to be properly checked, then we need to develop a fixture that will prevent the possibility. We have at least on claim and more complaints of the units turning on while the lid is open. Every one of the claims and complaints are reported to the CPSC.
I cannot express the seriousness of getting this right. No more excuses. Let's fix the issue.
Jorge

From: Leo Cheung - l0cheun
Sent: Friday, October 15, 2010 1:41 AM
To: Jorge B Garcia
Cc: Victor Tang - vtang
Subject: GE food processor inspection fail update

Jorge,

GE food processor inspection failure due to 3 out of 80 units can activate by 0.5mm test gauge. Supplier explained the failure due to operator used the test gauge improperly, see attached. The next rework will use 0.7mm gauge for 3 times for each unit and re-inspection will be held on 10-18.

hanks.
leo

Thanks a lot for your help and best regards.

Jay

=====

Jay Zhang, Ph.D.

Vice President, Sales & Marketing

Demeter Enterprise Co., Ltd

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Mobile: +86-13923720907

Email: jay_zhang@demeterent.com

From: Jorge B Garcia [mailto:Jorge.Garcia0@wal-mart.com]

Sent: Thursday, September 16, 2010 8:15 PM

To: Demeter Enterprise Co. Ltd - Jay Zhang; Agnes Law; benjamin_hsu@demeterent.com

Subject: GE Food Processor Claim

Agnes / Jay,

Can you provide a short summary of what information you have received from and provided to Global Sourcing regarding the Claim of the blade starting to turn while the top is not on the unit.

Do you have a copy of the claim? What is your point of view?

[REDACTED]

Need this information ASAP.

Thanks

Jorge

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